

AMENDED IN ASSEMBLY MAY 6, 1999

AMENDED IN ASSEMBLY APRIL 7, 1999

CALIFORNIA LEGISLATURE—1999–2000 REGULAR SESSION

## ASSEMBLY BILL

**No. 535**

**Introduced by Assembly Member Reyes**

February 18, 1999

---

---

An act to add Section 2889.4 to the Public Utilities Code, relating to telecommunications.

### LEGISLATIVE COUNSEL'S DIGEST

AB 535, as amended, Reyes. Telecommunications: services.

Existing law requires telephone corporations to provide specified customer and subscriber services.

This bill would require a local exchange service provider that ~~automatically provides custom calling or enhanced calling telephone services billed on a per use basis to a residential subscriber of basic exchange service to notify all residential subscribers of those services by including in the regular bill for service a postcard with return postage guaranteed, listing the names and descriptions of each service to be billed on a per use basis, and the cost of each use. The bill would prohibit that service provider from providing any service listed on the postcard to a subscriber without the authorization of the subscriber to those services, as prescribed. The bill would, except as specified, exempt residential subscribers from liability for any charge for the use~~

~~of a telephone service billed on a per use basis unless the service provider has received that authorization. The bill would authorize a residential subscriber that has authorized the provision of telephone services billed on a per use basis to file a claim with the service provider for the reimbursement of charges for the inadvertent or unauthorized use of telephone services billed on a per use basis, and would require the service provider to reimburse that subscriber under those circumstances~~ offers per use custom calling or enhanced features to provide a new subscriber, including an existing customer ordering an additional line, during the verbal service order process, with information about those features. The bill would require the representatives of a provider to advise that subscriber of the availability of blocking for these features, and to inquire as to whether the subscriber would like to block any or all of these features. The bill would require a local exchange service provider that offers these features to advise an existing subscriber who inquires about the features, or who seeks a bill adjustment for the inadvertent or unauthorized use of per use custom calling features, that the features can be blocked, and to inquire as to whether the subscriber would like to block any or all of the features. The bill would require a local exchange service provider that offers these features to provide a prescribed notice to all existing subscribers not later than January 31, 2000, describing all features provided on a per use basis, the charge for each activation, any additional charges, and detailed information about the ability to block these features.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 2889.4 is added to the Public
- 2 Utilities Code, to read:
- 3 ~~2889.4. (a) (1) A~~
- 4 2889.4. (a) A local exchange service provider that
- 5 offers per use custom calling or enhanced features shall
- 6 provide a new subscriber, including an existing customer
- 7 ordering an additional line, during the verbal service



1 order process, with information about those features. The  
2 representatives of a provider shall advise that subscriber  
3 of the availability of blocking for these features and shall  
4 inquire as to whether the subscriber would like to block  
5 any or all of the features.

6 (b) (1) A local exchange service provider that offers  
7 the features described in subdivision (a) shall advise an  
8 existing subscriber who inquires about the features, or  
9 who seeks a bill adjustment for the inadvertent or  
10 unauthorized use of per use custom calling features, that  
11 the features can be blocked and shall inquire as to  
12 whether the subscriber would like to block any or all of  
13 the features.

14 (2) (A) A local exchange service provider that offers  
15 the features described in subdivision (a) shall provide  
16 notice to all existing subscribers not later than January 31,  
17 2000, describing all features provided on a per use basis,  
18 the charge for each activation, any additional usage or  
19 other charges, and detailed information about the ability  
20 to block these features.

21 (B) The notice shall contain a toll free number for  
22 further information and shall contain a pre-paid postcard  
23 that subscribers may return if they wish to block any or  
24 all of the per use features.

25 (c) Nothing in subdivisions (a) or (b) precludes a local  
26 exchange service subscriber that has not blocked per use  
27 features from obtaining a bill adjustment for the  
28 inadvertent or unauthorized activation of those per use  
29 services that do not require coded dialing to access,  
30 including any additional usage charges associated with  
31 accessing two calls at one time.

32 ~~local exchange carrier that automatically provides~~  
33 ~~custom calling or enhanced calling telephone services~~  
34 ~~billed on a per use basis to a residential subscriber of basic~~  
35 ~~exchange service shall notify all residential subscribers by~~  
36 ~~including in the regular bill for service a postcard with~~  
37 ~~return postage guaranteed, listing the names and~~  
38 ~~descriptions of each service offered by the local exchange~~  
39 ~~carrier, to be billed on a per use basis, and the cost of each~~  
40 ~~use, including information on applicable charges such as~~

1 tolls for a connected call. The local exchange carrier may  
2 not provide any service listed on the postcard notice to a  
3 subscriber without the authorization of the subscriber to  
4 those services, as indicated by the return of the postcard  
5 to the local exchange carrier with the subscriber's  
6 signature, telephone number, and service address. The  
7 local exchange carrier shall submit the content of a  
8 proposed postcard notification to the commission for  
9 approval prior to its inclusion in the bills of that local  
10 exchange carrier.

11 (2) A local exchange carrier shall also provide to each  
12 new subscriber, during the verbal initiation of a  
13 subscription to residential service, the information to be  
14 included in a notification pursuant to paragraph (1). A  
15 local exchange carrier shall additionally inform any new  
16 subscriber of the option to block any service feature. A  
17 local exchange carrier shall permit a new subscriber to  
18 authorize the activation or blocking of any service feature  
19 during the verbal subscription transaction. The local  
20 exchange carrier shall send a service confirmation letter  
21 subsequent to a verbal subscription and shall include in  
22 the letter the name, function, and activation charge for  
23 each custom calling feature and indicate whether the  
24 subscriber has blocked any named service feature.

25 (b) (1) Except as specified in paragraph (2), a  
26 residential subscriber may not be liable for any charge for  
27 the use of a telephone service billed on a per use basis  
28 unless the local exchange carrier has received  
29 authorization from that subscriber pursuant to  
30 subdivision (a).

31 (2) A current subscriber may be liable for any charge  
32 for the use of a telephone service billed on a per use basis  
33 used within 14 days from the date that notification was  
34 sent by the local exchange carrier pursuant to subdivision  
35 (a), but may not be liable for charges incurred thereafter,  
36 unless the local exchange carrier has received  
37 authorization from that subscriber pursuant to  
38 subdivision (a).

39 (c) A residential subscriber that has authorized the  
40 provision of telephone services billed on a per use basis in

1 ~~accordance with subdivision (a) may obtain from the~~  
2 ~~local exchange carrier an adjustment of the subscriber's~~  
3 ~~bill for the inadvertent or unauthorized activation of a~~  
4 ~~telephone service billed on a per use basis.~~

5 ~~(d) As used in this section, the following terms have~~  
6 ~~the following meanings:~~

7 ~~(1) "Current subscriber" means a residential~~  
8 ~~subscriber of a local exchange service provider as of~~  
9 ~~December 31, 1999.~~

10 ~~(2) "New subscriber" means a person who initiates a~~  
11 ~~subscription to residential service from a local exchange~~  
12 ~~service provider that begins on or after January 1, 2000.~~

13 ~~"New subscriber" also includes an existing subscriber~~  
14 ~~who orders a new telephone line to be added to existing~~  
15 ~~service.~~

